

TaxNewsFlash

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Administration's budget proposals for FY 2019

The Trump Administration today transmitted to Congress its FY 2019 budget recommendations.

Administration budgets reflect policy priorities of the administration. Congress decides whether to implement those recommendations, and its budgets may diverge substantially from the administration's recommendations.

The administration's \$4.4 trillion budget for FY 2019 would significantly increase defense spending, make cuts to certain mandatory spending programs, and boost federal spending on infrastructure by \$199 billion.

- Read the <u>FY 2019 budget proposals</u> [PDF 2 MB]
- Read <u>analytical perspectives</u> related to the FY 2019 revenue proposals

No significant tax items

The Office of Management and Budget (OMB) projects an increase of almost \$44 billion in new revenue from IRS enforcement over 10 years. In this connection, the administration proposes nearly \$15 billion over the next 10 years in additional spending on enforcement, although overall it proposes significant cuts from the Treasury "base" budget. There is no specific reference to the possible need for additional funding to implement the new tax law (Pub. L. No. 115-97, enacted December 22, 2017).

The FY 2019 budget does not propose significant tax law amendments or revenue raisers beyond a reference to the administration's \$6 billion in private activity bond measures included in its proposals for infrastructure legislation. Read <u>TaxNewsFlash</u>

The U.S. Treasury Department historically releases a "greenbook" as an explanation of an administration's revenue (tax) proposals to accompany the administration's budget. However, as was the case with FY 2018, the administration has indicated it will not release an FY 2019 greenbook.

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